



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

17

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/700,067	11/03/2003	Douglas M. Durbano	13355.0002	3740
7590 08/16/2007 Brent T. Winder JONES, WALDO, HOLBROOK & MCDONOUGH, PC Suite 1500 170 South Main Street Salt Lake City, UT 84101-1644			EXAMINER SEE, CAROL A	
			ART UNIT 3609	PAPER NUMBER
			MAIL DATE 08/16/2007	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/700,067	Applicant(s) DURBANO, DOUGLAS M.	
	Examiner Carol See	Art Unit 3609	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 03 November 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-11 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-11 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on 03 November 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

KHOI H. TRAN
SUPERVISORY PATENT EXAMINER

[Signature]

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>11/3/2003</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1 – 6 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Applicant's claim of a "structure" does not fit into any of the statutory categories as enumerated above.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 7-11 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

5. Applicant's use of the phrase "makes deposits" in lines 8-9 of claim 7 is indefinite because it is unclear as to the meaning of the limitation. Examiner interprets the phrase in combination with contributing capital and the deposit of that capital. Claims 8-11 recite the same subject matter as claim 7 and are rejected for the same reasons discussed above.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1-3 and 5-8, 10 and 11 are rejected under 35 U.S.C. 102(e) as being anticipated by Schloss (U.S. 2002/0065753).

As to claim 1, Schloss shows a limited liability structure, comprising:

a holding company, organized as a limited liability company (para. 0095 and Fig. 1, element 116); and
various business entities, organized as limited liability companies and wholly owned and managed by the holding company in distinct locales (para. 0102, 0111 and 0126).

Schloss does not expressly disclose a chartered bank or a franchise bank. However, these organizational forms are not functionally related to the structure as claimed. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F. 2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F. 3d 1579, 32 USPQ 2d 1031 (Fed. Cir. 1994).

Art Unit: 3609

As to claim 2, Schloss shows all elements of claim 1. Schloss further shows a holding company comprised of:

at least one management member maintaining ownership in the holding company and performing management duties for the holding company(para. 0053);

at least one founding member, maintaining ownership in the holding company and contributing initial concept and capital to the holding company (para. 0053, 0098 and 0099); and

at least one investment member, maintaining ownership in the holding company and contributing capital to the holding company (para. 0053, 0098 and 0099).

As to claim 3, Schloss shows all elements of claim 1. Schloss further shows a holding company that provides a plurality of general services to support the holding company and business entities (para. 0099 and 0126).

As to claim 5, Schloss shows all elements of claim 1. Schloss further shows a business entity further comprising and servicing a business member who is designated to make business deposits, and to receive yearly distributions of profits (para. 0098 and 0099).

As to claim 6, Schloss shows all elements of claim 1. Schloss further shows a business entity further comprising an individual member (para. 0053), who is designated to make individual deposits, and to receive yearly distributions of profits (para. 0098 and 0099).

As to claim 7, Schloss shows a business method utilizing a limited liability business entity structure, comprising the steps of:

Art Unit: 3609

organizing a holding company, designated as a limited liability company (para. 0095 and Fig. 1, element 116);

organizing business entities, which are organized as limited liability companies and are wholly owned and managed by the holding company (para. 0102, 0111 and 0126);

designating at least one management member, who contributes capital and makes deposits, and engages in management of the holding company and business entity (para. 0053, 0098 and 0099);

designating at least one founding member, who contributes conception and capital to the holding company (para. 0098 and 0099); and

designating at least one investment member, who contributes capital and makes deposits to the holding company (para. 0099).

Schloss does not expressly disclose a chartered bank or franchise bank. However, these organizational forms are not functionally related to the method as claimed. Thus, this descriptive material will not distinguish the claimed method from the prior art in terms of patentability, see *In re Gulack*, 703 F. 2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F. 3d 1579, 32 USPQ 2d 1031 (Fed. Cir. 1994).

As to claim 8, Schloss shows all elements of claim 7. Schloss further shows a holding company providing a plurality of general services to support the holding company and other business entity (para. 0099 and 0126).

Art Unit: 3609

As to claim 10, Schloss shows all elements of claim 7. Schloss further shows a business entity designed to accept and service a business member who is designated to make business deposits and to receive yearly distributions of profits (para. 0053, 0098 and 0099).

As to claim 11, Schloss shows all elements of claim 7. Schloss further shows a business entity designed to accept and service an individual member who is designated to make individual deposits and to receive yearly distributions of profits (para. 0053, 0098, 0099).

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 4 and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable over Schloss (U.S. 2002/0065753) in view of official notice and further in view of Mares ("The Importance of a Well-Drafted LLC Operating Agreement," article in The Tax Adviser, Aug. 1996).

As to claim 4, Schloss shows all elements of claim 1. Schloss further shows a holding company with a founding member who is designated to contribute capital (para. 0095, 0098 and 0099).

Art Unit: 3609

Schloss does not specifically show a member electing board members or voting to distribute profits.

Mares teaches members formulating an operating agreement to establish which members will exercise various rights – e.g., contribution to capital and voting on issues such as operational issues, economic issues, choosing board members, profit distribution, etc. (pg. 484-488).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have modified the invention disclosed in Schloss by the method taught by Mares in order to specifically and clearly designate which business members are responsible and to what degree, for capital contribution and voting to elect board members and to distribute profits.

As to claim 9, Schloss shows all elements of claim 7. Schloss further shows a business entity with a founding member (para. 0095 and 0098) who is designated to contribute capital (para. 0095, 0098 and 0099).

Schloss does not specifically show a member electing board members or voting to distribute profits.

Mares teaches formulating an operating agreement to establish which business members will exercise various rights – e.g., contribution to capital and voting on issues such as operational issues, economic issues, choosing board members, profit distribution, etc. (pg. 484- 488).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have modified the invention disclosed in Schloss by the method taught by

Art Unit: 3609

Mares in order to specifically and clearly designate which company members are responsible for capital contribution and voting regarding business issues such as board member choice and profit distribution.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Carol See whose telephone number is (571) 272-9742. The examiner can normally be reached on Monday - Thursday 6:45 am - 5:15 pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Khoi Tran, can be reached on (571) 272-6919. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Carol See
Patent Examiner
Art Unit 3609

KHOI H. TRAN
SUPERVISORY PATENT EXAMINER

